50th Annual Report / Melville Shoe Corporation / 1963

MSC

Melville Shoe Corporation and its subsidiaries

THOM McAN SHOE COMPANY

MILES SHOES

MELDISCO

J. F. McELWAIN COMPANY

BLUE RIDGE SHOE COMPANY

MELVILLE REALTY COMPANY, Inc.

Directors:

WARD MELVILLE, *Chairman*
FREDERIC ATTWOOD
LEIGHTON H. COLEMAN
ROBERT C. ERB
LESTER R. FALLON
JOEL E. FISHER
FRANCIS H. GLEASON
LOUIS C. LUSTENBERGER
DAVID B. MELVILLE
JOSEPH L. MERRILL
SPENCER D. OETTINGER
SEWARD M. PATERSON
FRANCIS C. ROONEY, JR.
MURRAY M. ROSENBERG

Executive Committee:

MURRAY M. ROSENBERG, *Chairman*
FREDERIC ATTWOOD
ROBERT C. ERB
FRANCIS H. GLEASON
WARD MELVILLE
JOSEPH L. MERRILL
SPENCER D. OETTINGER
FRANCIS C. ROONEY, JR.

Finance Committee:

JOSEPH L. MERRILL, *Chairman*
ROBERT C. ERB
JOEL E. FISHER
WARD MELVILLE
MURRAY M. ROSENBERG

Officers:

WARD MELVILLE, *Chairman of the Board*
ROBERT C. ERB, *President*

• *Vice Presidents*
FRANCIS H. GLEASON
SPENCER D. OETTINGER
FRANCIS C. ROONEY, JR.

H. ALBERT BRODIN, *Treasurer & Assistant Secretary*
DAVID B. MELVILLE, *Secretary*
FRANK SOKOL, *Assistant Treasurer*

• *Assistant Secretaries*
BERTHA K. SMITH
HAROLD R. WICKHAM

Counsel: DAVIS POLK WARDWELL SUNDERLAND & KIENDL
Auditors: PEAT, MARWICK, MITCHELL & CO.
Financial Advisor: GEORGE J. LENESS
Transfer Agent: IRVING TRUST COMPANY,
1 Wall Street, New York, N. Y. 10015
Registrar: FIRST NATIONAL CITY BANK,
55 Wall Street, New York, N. Y. 10015

To the Shareholders of Melville Shoe Corporation:

AGAIN and for the ninth successive year the sales of Melville Shoe Corporation and its subsidiaries were the highest in the company's history. Net sales amounted to $182,403,253 as compared to $176,447,649 in 1962. Net earnings were $4,814,-257, compared to $4,987,371 the previous year. After provision for preferred dividends, earnings per common share amounted to $1.52; $1.58 was reported for 1962.

Widespread shifts of population continue to occur within the metropolitan areas where the bulk of our stores are operated. In response to this movement of our customers, we have opened additional stores, principally in shopping centers, and additional footwear departments, principally in self-service department stores. These population shifts have also resulted in the closing of some downtown stores and a considerable number of neighborhood stores where volume had declined.

The cost of opening 215 new stores and departments in the past three years and of closing 107 unprofitable or potentially unprofitable stores has adversely affected earnings during this period. We believe that the major part of the adjustment has been completed and that Melville Shoe Corporation and its subsidiaries are now in a position to serve, profitably, more customers than ever before.

In 1963, the corporation stressed cost reduction in all of its divisions. Increased efficiency in both retailing and manufacturing has produced gratifying results, despite the continued rise of labor costs.

The John Ward division (11 stores), having become unprofitable, was sold in the fall of 1963.

In November 1963, we opened a second factory in North Carolina, in the town of Boone. Early results indicate that it is likely to be as successful as its predecessor at Wilkesboro.

The company was fortunate in being able to enlist for its Board of Directors, as of the beginning of the fiscal year, Mr. Louis C. Lustenberger, the energetic and able president of the W. T. Grant Company. Mr. Lustenberger's ability and experience in the retail field makes him an important addition to the corporation's board.

The dividend rate of $1.30 which was instituted in January 1963 was reduced in January 1964 to the rate of 80¢. This reduction was not made because the company failed to earn the dividend that it had been paying, but because the directors came to the conclusion that conservative and proper financing in the long-range interest of its stockholders demanded a reduction in the large percentage of earnings which had been paid out in prior years.

The directors express their thanks to all members of the organization, a group which works well and faithfully to maintain the established policies of the corporation.

Respectfully submitted,

Ward Melville

Chairman of the Board

President

✻ *Annual Meeting of Shareholders will be held at the Executive Offices, 25 West 43rd Street, New York, N. Y., on April 14th, 1964.*

Melville Shoe Corporation and Subsidiary Companies

Highlights

	1963	1962	percent change
Net Sales	$182,403,253	$176,447,649	+ 3.4
Earnings before Federal Taxes	8,462,257	9,150,371	– 7.5
Net Earnings:	4,814,257	4,987,371	– 3.5
as percent of Net Sales	2.64%	2.83%	
Earnings Per Share of Common Stock	1.52	1.58	– 3.8
Cash Flow	8,122,359	8,333,717	– 2.5
Taxes – Federal, State and Local	8,191,817	8,616,967	– 4.9
Taxes – Per share of Common Stock	2.94	3.09	– 4.9
Dividends on Common Stock	3,627,668	4,464,730	–18.7
Dividends Per Share of Common Stock	1.30	1.60	–18.7
Wages and Compensation	41,767,766	41,648,202	+ 0.3
Cash	11,634,741	10,216,190	+13.9
Inventories	34,819,507	37,559,003	– 7.3
Total Current Assets	49,782,484	50,246,808	– 0.9
Total Current Liabilities	13,694,338	15,528,678	–11.8
Net Working Capital	36,088,146	34,718,130	+ 3.9
Ratio of Working Capital	3.64	3.24	+12.3
Capital Additions and Improvements	2,356,124	3,328,135	–29.2
Depreciation	3,308,102	3,346,346	– 1.1
Property, Plant, Equipment and Leasehold Improvements at cost	47,316,850	47,100,464	+ 0.5
Property, Plant, Equipment and Leasehold Improvements, net	17,927,181	19,441,368	– 7.8
Total Shareholders' Equity	38,403,383	38,083,649	+ 0.8
Number of Stores	1,244	1,249	– 0.4
Number of Employees	8,279	8,285	– 0.1
Number of Shareholders: approximately 30,000			

Melville Shoe Corporation / 1963

THE SUCCESSOR to a small shoe business started in 1892 by Frank Melville, Jr., Melville Shoe Corporation with its subsidiaries is the largest integrated shoe retailing-manufacturing organization in the United States. It has four operating divisions: Thom McAn and Miles, which sell shoes at retail, and J. F. McElwain Company and Blue Ridge Shoe Company, which manufacture men's and boys' shoes. Miles Shoes was founded in 1917 by Murray M. Rosenberg and was merged with Melville in 1952.

Melville Shoe Corporation, through its divisions, J. F. McElwain Company and Blue Ridge Shoe Company, operates eleven factories in Massachusetts, New Hampshire and North Carolina; four modern warehouses in Massachusetts, New Jersey and New York, and, with its subsidiaries, 1140 stores and 104 leased departments, these being located in 44 States, the District of Columbia and the Commonwealth of Puerto Rico.

Thom McAn and Miles stores have followed the customer from urban centers to rural areas and have supplied his needs with the styles and types of shoes demanded. Their attractive stores are seen in major shopping centers and high traffic roadside locations. In addition, their efforts to meet buying preferences and habits have resulted in a chain of leased family shoe departments in discount department stores, each of which is operated by a subsidiary. Melville's subsidiaries have no financial interest in any of the department stores in which they are located, and the license agreements generally are of short term.

Melville's philosophy of maintaining high standards of materials and workmanship rather than to shift such standards to fit predetermined prices is one of the major factors in MSC's growth and success. Retail price increases have been held down by constant improvement of methods, procedures and techniques.

The year just ended has been a significant one for all retail business, and particularly for the footwear business. It is now easier to differentiate between the roles of the discount department and the personal service shoe store, and in this year Thom McAn and Miles have continued on the road of personal service to the customer, reinstituting specific training procedures for store managers and salesmen to further emphasize the distinction between self-service rack selling and the skilful, friendly human contact of a trained salesman. Keeping abreast of the outward and upward movement of America has proved to be a fascinating and essential task for the retailer. The customer expects things that didn't exist ten years ago, and he expects better quality in everything he buys. He is willing to pay for this better quality even when it means buying fewer things or buying less often. Proof that we have been able to keep abreast of this change is found in the fact that wherever there is retail traffic in volume, Thom McAn and Miles do a volume of business which attests to the fundamental soundness of their procedures.

At the end of 1963, the Thom McAn chain consisted of 844 stores, of which 409 sold footwear only for men and boys. At the beginning of the year there had been 865 Thom McAn stores. This decrease of 21 stores resulted from closing those of small volume and in locations affording little or no opportunity for growth, and opening stores of much greater sales volume. The first six months of the year was disappointing in sales, but an expense reduction program started several years earlier

began to produce sizable savings. By the end of summer, the sales decline had been arrested and sales were moving upward, so that we finished the year with good sales momentum. The December sales were notable and would have been even better had not the nation suffered such a staggering blow on November 22 with the assassination of President Kennedy.

At the beginning of the fall season Thom McAn advertising took a bold new step for a retail business when the major part of the advertising budget was shifted to TV for men's shoes and for children's shoes. We continued on radio for the teenagers – a very important part of the Thom McAn business. The men's TV spot sold a single and entirely new idea, the Soft-Lined Roma; the children's spot presented Thom McAn's unique Five Way Fit for boys' and girls' shoes. Testing of this technique in a small way earlier in the year had been very encouraging. A detailed study comparing results in advertised markets with the rest of the chain showed clearly that these new methods contributed substantially to improved sales in the second half and particularly to our good December sales. Also, a series of men's shoe ads in Life magazine began in September.

Miles, with the opening of eight new family stores, ended the year with 296 such locations, this being a net increase for the year of four. Miles, which operates mainly in the eastern part of the United States, plans to increase its share of the market, and stores will continue to be opened in important retail areas as they develop. The Miles management is responsible also for the Meldisco departments, and continued the expansion program there with the opening of 26 such subsidiaries. At the end of 1963 there were 104 departments in operation, a net increase of 23 over the end of 1962. It is believed that Meldisco has been successful in developing better methods of self-service, together with accompanying savings to the consumer, so that it can be said to set the pace in these new and better techniques, and its effectiveness is established by a growing reputation. Miles in both the stores and the leased departments takes pride in superior standards of quality, which it considers a prerequisite for customer acceptance.

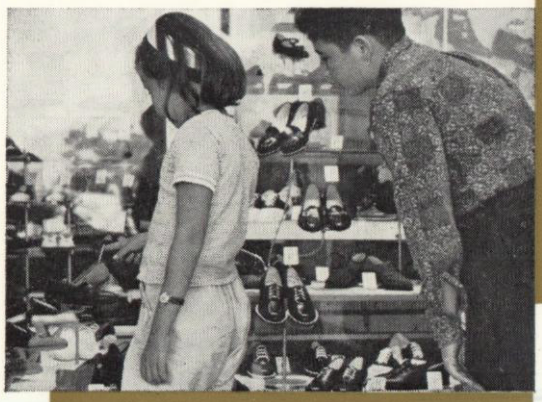
During the year a data processing program was completed for Meldisco, this providing sales and inventory information in detail. Being accumulated rapidly, this information allows for effective merchandise control and will eliminate the need for many elaborate record-keeping procedures by the store personnel.

Miles' advertising program continues to emphasize "Fifth Avenue Fashions," the dress shoes for women; "Seventeens," the fashion flats for teenagers; "Stags" for men and boys; and "Milestrides" and "Tiny-steps" for children and infants, respectively. The name "Magic Arch" for canvas footwear was the subject of intensive newspaper and magazine advertising.

It is intended to strengthen both Thom McAn and Miles by additional closings of weak stores and the opening of new stores in large-volume customer traffic locations. The sales plan for 1964 strives for a realistic sales increase through improved styling and a better distribution of merchandise. Contemporary advertising and promotion will be continued, and very direct, intensified sales training will be maintained. It is believed that the current expense control can be carried on so as to provide a profit improvement over the past few years.

An innovation in the distribution of Thom McAn branded shoes is a program for offering them in locations operated by other unrelated companies. This program, already well developed, will make Thom McAn men's shoes available to many who do not now have access to them.

While Melville Shoe Corporation is primarily a



retailer, its J. F. McElwain Company Division operates ten shoe factories and one sole-cutting plant, these distributed through Nashua and Manchester in New Hampshire, Athol in Massachusetts, and Wilkesboro and Boone in North Carolina. The two latter are operated by a division known as Blue Ridge Shoe Company. These two southern plants were designed and built to our specifications, but financed by local development groups. We employ approximately 3500 persons in the manufacture of men's and boys' dress and casual footwear.

Nearly all of the civilian production goes into the Thom McAn and Miles stores, although the company is also an important supplier of military oxfords to the government. In September the military presented their "C" award to one of our factories in recognition of outstanding quality control performance on government contracts. This is the first such award to a New England shoe factory, and only the third such award made to any New England manufacturer. The factory intends to expand its sale of footwear to outside civilian customers, thus adding to total sales and profit.

The McElwain product is now about evenly divided between welted and cemented shoes, the latter type of construction being relatively new in the men's field. It has proven particularly successful on Thom McAn's Roma line of dress footwear, and is the ideal process for lightweight, flexible casual footwear, a type which is gaining steadily in importance. The Athol factory is making 1500 pairs daily of genuine handsewn moccasin styles currently in great demand, and the new plant in Boone, completed in November 1963, is already producing over 1200 pairs daily of this same type of shoe. Boone has an ultimate objective of 3600 pairs daily.

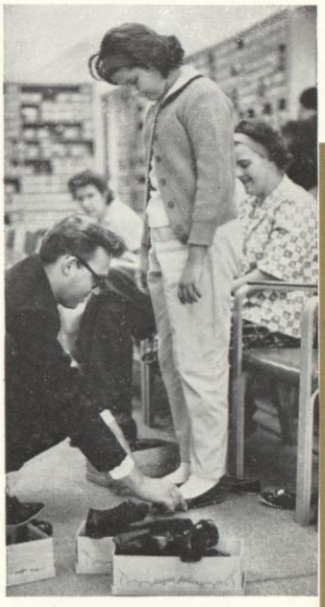
The accelerated program of new machinery and conveyor installation has continued through the year with important improvements in cost, productivity and operator earnings. The single unit sole-heel combination premolded to finished shape, an innovation first adopted by McElwain, was extended to an important part of the men's production. Notable advances have been made in other applications of the basic principle of prefabricating shoe components in bulk.

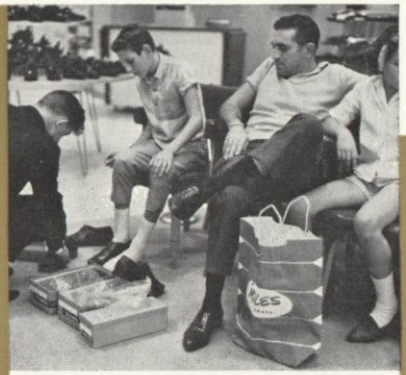
Wilkesboro and Boone were chosen for factory locations after exhaustive search. Though both plants are the ultimate in design and equipment for efficient operation, management is particularly pleased with the excellent progress made in training local people to become shoe workers. We feel that our success is a great credit to the character and quality of these people. The fact that in each instance the product is already outstanding suggests a very important contribution to the strength of the Melville Shoe Corporation for the future.

In the last fifteen years the development of an increasing variety of very acceptable and long-wearing non-leather materials for soling has introduced a reasonable degree of stability into the market for raw materials. It would appear that the same sort of technological advance is about to take place in upper material. Simultaneously there have been improvements in the tanning and finishing of leather.

Shoe manufacturing techniques have been improved and somewhat simplified through the introduction of better machines, threads, and cements. It is not improbable that the next fifteen years will see progress of equal magnitude.

Success in shoe manufacture in the future will depend far less on ability to determine trends in raw material markets and much more on ability to integrate sales and marketing programs with scientifically engineered production methods. Vertical integration of retail distribution with large volume production units should offer important advantages in obtaining maximum efficiency at the manufacturing level.





MSC *Melville Shoe Corporation.*

ASSETS

	1963	1962
Current assets:		
Cash	$11,634,741	$10,216,190
Accounts receivable, less provision for possible losses	2,260,134	1,063,213
Inventories – at lower of cost (approximately 13% valued at lifo) or market, principally by the retail method	34,819,507	37,559,003
Prepaid expenses	1,068,102	1,258,467
Land and buildings under construction, at cost, covered by agreements for sale and leaseback	–	149,935
Total current assets	49,782,484	50,246,808
Property, plant, equipment and leasehold improvements, at cost:		
Land	1,363,572	1,324,016
Buildings	3,985,003	3,848,206
Machinery and equipment	3,522,902	3,474,726
Store and office fixtures, improvements to leased properties and miscellaneous equipment	38,445,373	38,453,516
	47,316,850	47,100,464
Less:		
Accumulated depreciation and amortization	29,170,837	27,566,828
Reserve for investment credit (note 1)	218,832	92,268
	29,389,669	27,659,096
Net property, plant, equipment and leasehold improvements	17,927,181	19,441,368
Unamortized debt discount and expense	242,184	256,860
	$67,951,849	$69,945,036

See accompanying notes to financial statements.

. . . and Subsidiary Companies

Statement of Consolidated Financial Condition as of December 31, 1963 with Comparative Figures for 1962

LIABILITIES

	1963	1962
Current liabilities:		
Accounts payable and accrued expenses	$ 9,961,021	$10,306,993
Federal income taxes	3,051,317	4,542,685
Current installments on long-term debt	682,000	679,000
Total current liabilities	13,694,338	15,528,678
Long-term debt:		
4⅞% Debentures, due 1980 (annual sinking fund requirement $600,000)	10,800,000	11,400,000
3½% Promissory Note, due 1984, payable in quarterly installments	2,328,000	2,410,000
	13,128,000	13,810,000
Provision for retirement payments, less related Federal income taxes	1,271,305	1,138,283
Deferred Federal income taxes, applicable to accelerated depreciation deducted for tax purposes	1,454,823	1,384,426
Shareholders' equity:		
Capital Stock (note 2):		
Preferred stock:		
Series A, $4.75 dividend	1,606,800	1,606,800
Series B, $4.00 dividend	13,193,900	13,193,900
Common stock	12,100,481	12,100,481
	26,901,181	26,901,181
Retained earnings (approximately $12,330,000 free of restrictions pertaining to dividends)	12,397,054	11,778,926
	39,298,235	38,680,107
Less cost of preferred shares held in treasury	894,852	596,458
	38,403,383	38,083,649
	$67,951,849	$69,945,036

Commitments (note 3)

ACCOUNTANTS' REPORT

To the Board of Directors
and Shareholders of
Melville Shoe Corporation:

We have examined the statement of consolidated financial condition of Melville Shoe Corporation and subsidiary companies as of December 31, 1963 and the related statement of consolidated earnings and retained earnings for the year then ended. Our examination, which included all divisions and companies except the Miles Shoes Division and related subsidiaries (which are of major importance), was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. As regards the Miles Shoes Division and related subsidiaries, the accounts of which are incorporated in the accompanying consolidated financial statements, we have been furnished with the report of S. D. Leidesdorf & Co., Certified Public Accountants.

In our opinion, based on our examination and on the report referred to in the paragraph above, the accompanying statement of consolidated financial condition and statement of consolidated earnings and retained earnings present fairly the financial position of Melville Shoe Corporation and subsidiary companies at December 31, 1963 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.

February 28, 1964, New York, N. Y.

Melville Shoe Corporation *and Subsidiary Companies*

STATEMENT OF CONSOLIDATED EARNINGS AND RETAINED EARNINGS

Year ended December 31, 1963 with comparative figures for 1962

	1963	*1962*
Net sales	$182,403,253	$176,447,649
Cost of sales and store operating, selling, general and administrative expenses (exclusive of the following deductions)	169,165,441	162,699,646
	13,237,812	13,748,003
Deduct:		
Depreciation and amortization	3,308,102	3,346,346
Employees' retirement plans	594,595	466,401
Interest charges	896,335	864,963
	4,799,032	4,677,710
	8,438,780	9,070,293
Other income – net	23,477	80,078
Earnings before Federal income taxes	8,462,257	9,150,371
Provision for Federal income taxes	3,648,000	4,382,000
	4,814,257	4,768,371
Earnings resulting from change in method of valuing certain inventories, less Federal income taxes of $237,000	–	219,000
Net earnings	4,814,257	4,987,371
Retained earnings at beginning of year	11,778,926	10,686,493
	16,593,183	15,673,864
Add adjustment of depreciation applicable to 1959 and 1960, less related Federal income taxes $599,591	–	1,154,666
	16,593,183	16,828,530
Deduct cash dividends paid:		
Preferred stock, Series A, $4.75 a share	72,253	73,846
Preferred stock, Series B, $4.00 a share	496,208	511,028
Common stock, $1.30 a share; 1962 $1.60 a share	3,627,668	4,464,730
	4,196,129	5,049,604
Retained earnings at end of year	$ 12,397,054	$ 11,778,926

See accompanying notes to financial statements.

Notes to Financial Statements

(1) The company has adopted the policy of taking into income the investment credit deductible from Federal income taxes payable as provided by the Revenue Act of 1962 to the extent that such deduction represents a permanent reduction in taxes payable. The effect of this policy on net earnings for 1963 is not material.

(2) Capital stock consists of the following:

Cumulative preferred stock par value $100 a share, issuable in series:	
Authorized, 236,984 shares.	
Issued:	
Series A, $4.75 dividend (redeemable at $100 plus accrued dividends), authorized and issued, 16,068 shares (including 1,083 shares in treasury)	$ 1,606,800
Series B, $4.00 dividend (redeemable from $102 after December 1, 1962 to $100 after December 1, 1966, plus accrued dividends in each case), authorized and issued, 131,939 shares (including 9,150 shares in treasury)	13,193,900
Common stock, par value $1 a share:	
Authorized, 3,500,000 shares, 10,000 shares subject to option; issued and outstanding, 2,790,458 shares	12,100,481
	$26,901,181

Common stock includes additional capital amounting to $9,066,897 which arose from conversion of 4% preferred shares into shares of common stock prior to redemption of the 4% preferred shares in February 1950 and is included in common stock capital in accordance with statutory requirements. Capital surplus of $243,126 arising from purchases at less than par value and subsequent retirement of shares of Series A and B preferred stock and of certain shares of Miles Shoes Incorporated is also included in the common stock account.

(3) At December 31, 1963, the total minimum annual rentals, payable under leases expiring after five years, was approximately $5,583,000. Leases covering about 77% of this amount expire on various dates within the next 16 years. In addition, minimum annual rentals payable on leases covering closed stores, less sub-tenant income, range from $150,500 in 1964 to $23,000 in 1980 or a total of $1,729,000. A substantial number of closed stores have been sub-leased.

Distribution of Sales Revenue...

	1963	*1962*
Received from the sale of products	$182,403,253	$176,447,649
Paid for materials, merchandise and all expenses, exclusive of taxes and other amounts paid to or for the benefit of employees	127,629,413	120,040,443
Remainder	54,773,840	56,407,206
This was divided as follows:		
Wages and compensation	41,767,766	41,648,202
Taxes	8,191,817	8,616,967
Paid to shareholders or retained in the business	4,814,257	6,142,037

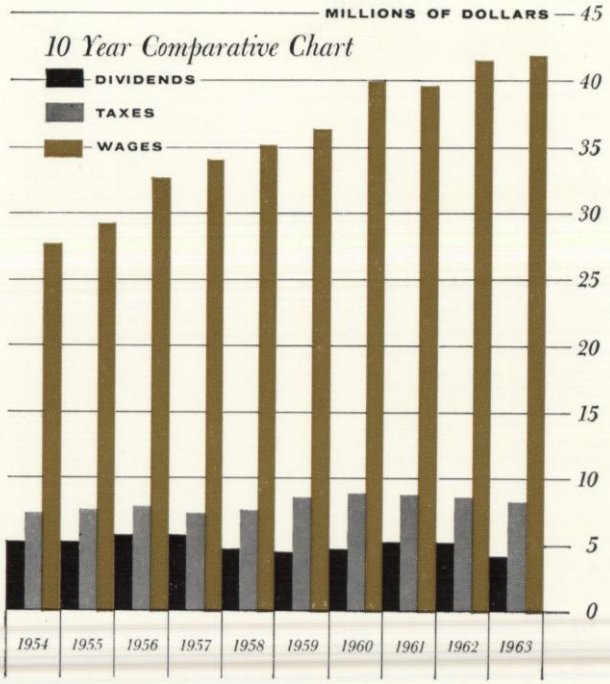
In 1963 after payment for materials, merchandise, taxes and other necessary expenses, 90% of the balance went to 8,279 employees and 10% was paid to shareholders or retained in the business.

LIBERTY
Paid for materials, merchandise and all expenses
Wages and compensation
Taxes
Paid to shareholders or retained in the business

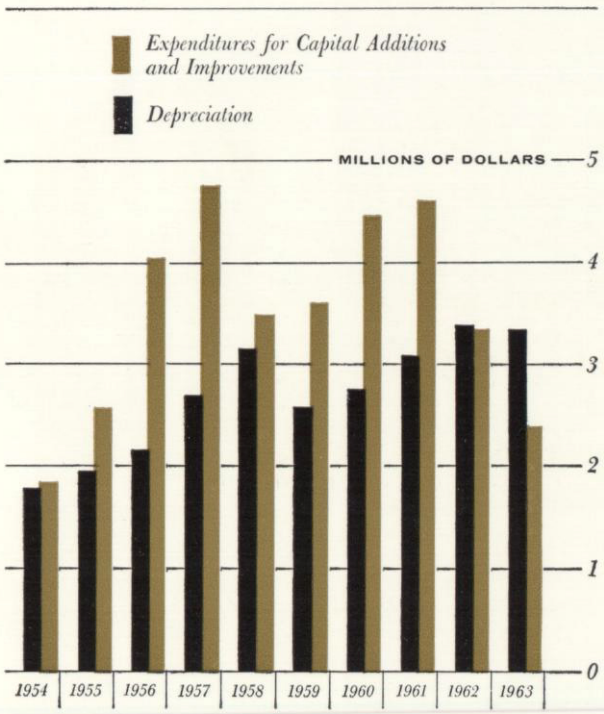
Analysis...

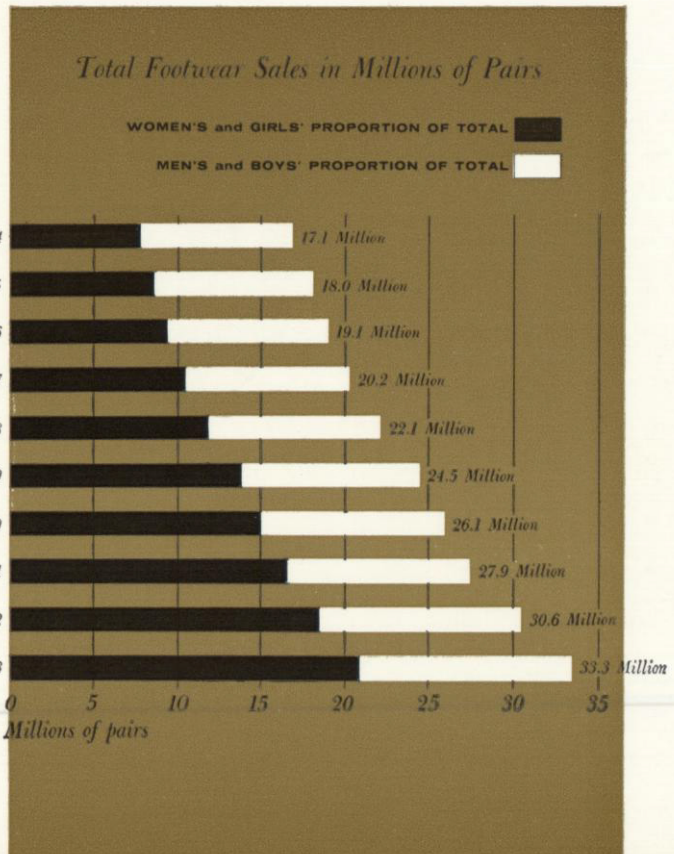
Wages, Taxes, Dividends

A tax cut designed primarily to promote private investment activity presumably could be a major step in strengthening our economy's expansion, if it were coupled with stringent efforts to keep government spending at minimal level. In 1963 your company and its subsidiaries paid $8,191,817, or $2.94 per common share, in Federal, state and local taxes. This sum, of course, represents only the taxes paid directly by the Melville group; it does not include taxes which already were a part of the cost of goods, services and rents paid by the Melville group in the course of manufacturing and distributing merchandise.



	Net Sales	Net Income	% of Net Income To Net Sales	Taxes	Wages	Per Share of Common Stock			
						Earnings	Dividends	Taxes	Wages
1963	$182,403,253	$4,814,257	2.64	$8,191,817	$41,767,766	$1.52	$1.30	$2.94	$14.97
1962	176,447,649	4,987,371	2.83	8,616,967	41,648,202	1.58	1.60	3.09	14.93
1961	165,867,317	5,987,740	3.61	8,839,063	39,618,572	1.93	1.60	3.17	14.20
1960	161,594,237	6,608,408	4.09	8,808,017	40,028,701	2.15	1.52½	3.16	14.34
1959	151,709,758	6,743,280	4.44	8,564,057	36,457,979	2.18	1.35	3.07	13.07



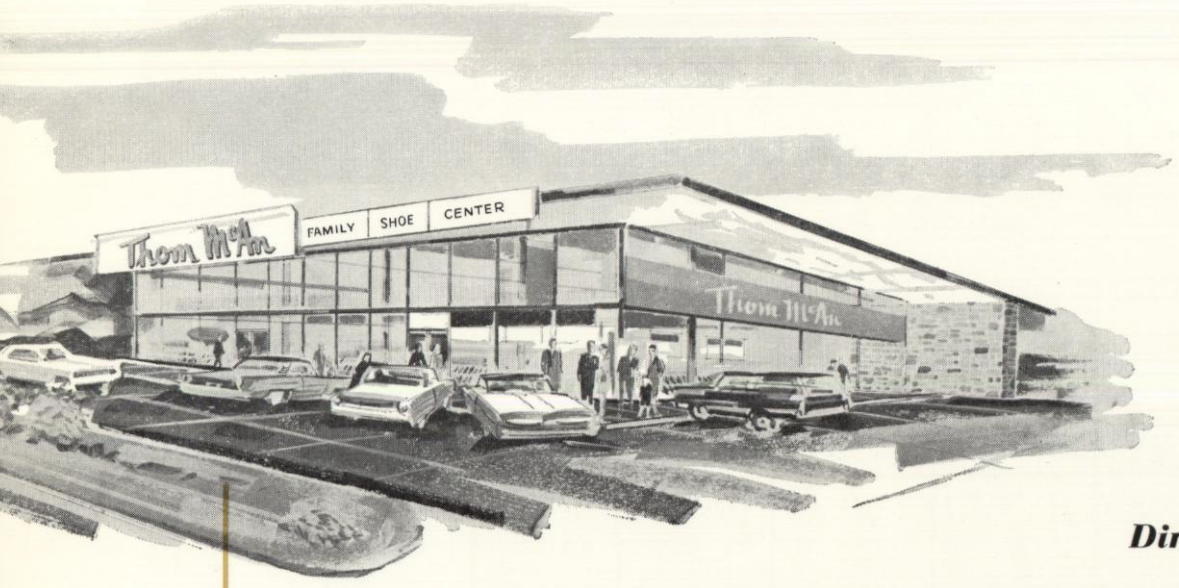


Statistical Record *of Melville Shoe Corporation and Subsidiaries*

Year	Stores at Year-end	Store Sales	Factory and Other Sales	Total Sales	Net Sales	Wages and Compensation	Taxes-All	Earnings before Federal Income and Excess Profits Taxes	Earnings After Taxes	Dividends Paid
1963	1,244	$175,099,261	$38,366,847	$213,466,108	$182,403,253	$41,767,766	$8,191,817	$8,462,257	$4,814,257	$4,196,129
1962	1,249	171,326,345	39,178,418	210,504,763	176,447,649	41,648,202	8,616,967	9,150,371	4,987,371	5,049,604
1961	1,212	161,940,035	36,586,525	198,526,560	165,867,317	39,618,572	8,839,063	11,090,640	5,987,740	5,064,813
1960	1,156	157,670,480	40,984,940	198,655,420	161,594,237	40,028,701	8,808,017	11,916,845	6,608,408	4,870,003
1959	1,110	145,279,253	42,594,071	187,873,324	151,709,758	36,457,979	8,564,057	12,246,434	6,743,280	4,416,326
1958	1,053	129,066,540	42,024,288	171,090,828	136,436,124	35,014,142	7,453,337	10,424,782	5,565,782	4,980,417
1957	1,018	122,076,438	44,381,086	166,457,524	130,355,538	34,327,002	7,319,322	10,489,518	5,638,618	5,681,063
1956	947	115,987,762	48,164,148	164,151,910	126,124,405	32,760,367	7,945,606	11,521,940	5,920,940	5,682,546
1955	886	106,721,861	44,391,068	151,112,929	114,495,706	29,778,832	7,644,740	11,210,272*	5,732,635*	5,124,946
1954	834	100,839,255	42,510,630	143,349,885	107,866,310	27,608,765	7,193,198	11,211,351	5,929,351	5,124,946
1953	794	99,551,584	45,613,054	145,164,638	108,870,972	27,327,473	6,962,746	10,933,798	5,732,798	5,124,943
1952	739	77,362,760	47,104,106	124,466,866	90,384,955	23,584,510	6,631,069	9,780,990	4,712,710	4,449,190
1951	577	71,075,477	54,847,259	125,922,736	92,740,699	21,052,294	7,228,010	10,456,529	4,669,369	4,212,803
1950	560	70,886,795	42,978,136	113,864,931	77,080,780	18,924,759	5,653,838	9,630,686	5,188,836	4,213,027
1949	560	71,864,212	43,292,986	115,157,198	78,028,920	19,258,854	4,640,645	9,099,339	5,538,010	4,094,286
1948	547	75,568,381	48,446,862	124,015,243	83,593,261	19,842,748	4,919,880	9,655,816	5,907,816	4,039,401
1947	519	71,992,773	48,566,594	120,559,367	77,145,950	18,747,576	4,971,733	9,437,690	5,419,690	3,686,212
1946	519	60,213,552	35,072,592	95,286,144	63,835,344	15,728,749	3,397,749	6,586,968	3,895,968	2,605,374
1945	536	41,216,792	34,956,285	76,173,077	56,846,202	14,038,031	3,008,300	4,631,577	2,400,907	2,309,018
1944	549	37,051,163	33,238,881	70,290,044	54,367,141	13,018,344	2,545,030	3,884,527	2,192,797	2,315,104
1943	556	39,238,096	29,288,336	68,526,432	51,564,039	11,778,538	2,985,542	4,674,122	2,452,069	2,315,137
1942	579	51,644,040	36,982,550	88,626,590	64,028,487	13,990,280	5,714,719	7,478,200	2,582,863	2,315,965
1941	659	46,653,910	28,588,553	75,242,463	51,359,632	11,982,680	2,789,468	4,753,348	2,924,275	2,542,354
1940	666	40,260,777	22,446,029	62,706,806	42,596,249	9,847,880	1,921,556	4,339,218	3,210,961	2,554,019
1939	663	38,326,853	21,721,707	60,048,560	40,873,780	9,913,010	1,625,112	3,873,292	3,141,161	2,404,514
1938	677	36,042,285	19,053,609	55,095,894	37,596,604	9,390,127	1,364,004	2,808,403	2,295,534	1,883,275
1937	690	38,155,438	22,199,736	60,355,174	39,377,533	9,976,537	1,335,660	3,344,873	2,801,695	2,896,674
1936	651	35,300,758	19,578,204	54,878,962	36,530,113	8,630,006	1,283,826	4,282,927	3,534,897	2,768,580
1935	609	30,355,524	16,947,267	47,302,791	31,420,675	7,765,484	871,106	3,477,078	3,001,984	1,744,450
1934	588	27,215,927	14,398,684	41,614,611	28,326,776	6,834,385	770,788	3,072,171	2,634,265	1,243,747

**Excluding non-recurring real estate profit.*

J. F. McElwain Company figures are included in all years; Miles Shoes figures are included from date of consolidation, Oct. 1, 1952.



Directors and Officers of

Divisions of Melville Shoe Corporation as of December 31, 1963

Thom McAn Shoe Company

Directors:

ROBERT C. ERB, *Chairman*
ROY S. FOGAS
WILLIAM GIRDNER
DAVID B. MELVILLE
WARD MELVILLE
FRANCIS C. ROONEY, JR.

Officers:

ROBERT C. ERB, *Chairman of the Board*
FRANCIS C. ROONEY, JR., *President*
ROY S. FOGAS, *Executive Vice-President*

• *Vice-Presidents*

JAMES F. BARRY
EDWARD GORMAN
RICHARD H. MCCARTHEY
LAWRENCE E. MCGOURTY
WILLIAM H. MUCKLEY
JOHN F. RIEFLER, JR.
J. FREDERICK ROSSELL
WILLIAM J. SMITH

DAVID B. MELVILLE, *Secretary*
H. ALBERT BRODIN, *Treasurer*
FRANK SOKOL, *Controller*
HAROLD R. WICKHAM, *Assistant Secretary*

Miles Shoes

Directors:

MURRAY M. ROSENBERG, *Chairman*
NAT ANTLER
KENNETH K. BERLAND
MEYER BOGORFF
ROBERT C. ERB
ARTHUR B. GOLD
SPENCER D. OETTINGER
ALFRED L. ROSE
MILES ROSENBERG
SAMUEL H. ROSENBERG

Officers:

MURRAY M. ROSENBERG, *Chairman of the Board*
SPENCER D. OETTINGER, *President*
SAMUEL H. ROSENBERG, *First Vice-President*
KENNETH K. BERLAND, *Vice President & Treasurer*

• *Vice-Presidents*

NAT ANTLER
MEYER BOGORFF
JACK ENTEL
ARTHUR B. GOLD
ROBERT C. KUHN
ELLIOTT LUBIN

MILES ROSENBERG, *Secretary*

J. F. McElwain Company

Directors:

ROBERT C. ERB, *Chairman*
JOHN R. DE WITT
FRANCIS H. GLEASON
JAMES C. MACKAY
A. BYRON MANSFIELD
WARD MELVILLE
JOSEPH L. MERRILL
ROBERT A. T. NELSON
SEWARD M. PATERSON
RICHARD E. WEST

Officers:

ROBERT C. ERB, *Chairman of the Board*
FRANCIS H. GLEASON, *President & Treasurer*
RICHARD E. WEST, *Executive Vice-President*

• *Vice-Presidents*

JOHN R. DE WITT
DONALD W. ERION
JAMES C. MACKAY
SEWARD M. PATERSON
FREDERIC E. SHAW

A. BYRON MANSFIELD, *Controller & Secretary*
RICHARD O. WASSON, *Assistant Controller*

Blue Ridge Shoe Company

Directors:

ROBERT C. ERB, *Chairman*
FRANCIS H. GLEASON
ARTHUR B. GOLD
FRANCIS C. ROONEY, JR.
RICHARD E. WEST

Officers:

ROBERT C. ERB, *Chairman of the Board*
FRANCIS H. GLEASON, *President*
RICHARD E. WEST, *Executive Vice-President*
• *Vice-Presidents*
CHARLES S. BRADLEY
JOHN R. DE WITT
A. BYRON MANSFIELD, *Secretary & Treasurer*

Melville Realty Company, Inc.

Directors:

A. C. BLUNT 3RD
H. ALBERT BRODIN
DAVID B. MELVILLE
ARTHUR PAAR
FRANCIS C. ROONEY, JR
THOMAS S. ROTHWELL

Officers:

A. C. BLUNT 3RD, *President*
• *Vice Presidents*
FRANCIS H. GLEASON
RICHARD S. MAGEE
SPENCER D. OETTINGER
THOMAS S. ROTHWELL
H. ALBERT BRODIN, *Treasurer & Assistant Secretary*
DAVID B. MELVILLE, *Secretary*
FRANK SOKOL, *Assistant Treasurer*
• *Assistant Secretaries*
HAROLD R. WICKHAM • BERTHA K. SMITH • NAT ANTLER
ARTHUR PAAR, *Special Consultant*

The 50th Annual Report of Melville Shoe Corporation / 1963